# **Affordable Connectivity Program**

Wind-Down January 16, 2024

**Universal Service** Administrative Co.

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#### **Meet Our Team**

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# Agenda

- ACP Wind-Down
- ACP Systems Updates
- Consumer Support and Required Notices
- Revised Claims Process
- What Happens Next for Service Providers
- Program Integrity
- Resources

# **ACP Wind-Down**

# **ACP Wind-Down**

#### Overview

On January 11, 2024, due to a lack of additional funding from Congress, the FCC released an <u>Order</u> announcing steps to wind down the Affordable Connectivity Program, including wind-down, important dates, and the impacts on consumers and providers.

- The last day for consumers to enroll is on February 7, 2024
  - New consumers must apply and enroll with a service provider by 11:59 p.m. ET on February 7, 2024
  - During the enrollment freeze, service providers will be unable to help consumers apply through the National Verifier (NV) or enroll consumers through the National Lifeline Accountability Database (NLAD)
- The last fully funded month for the ACP is projected to be April 2024. This is an estimate and may change.

# ACP Wind-Down

#### Important Dates (1/2)

#### Below are a list of key dates for the ACP Wind-Down:

Date	Action
January 11, 2024	<ul> <li>FCC Order announcing enrollment freeze in the ACP</li> <li>Service providers begin consumer outreach informing consumers of the possibility of the end of the program and how it will affect their monthly bill</li> </ul>
January 25, 2024	<ul> <li>Deadline for providers to send the first notice to consumers informing consumers about the possible end of the ACP and potential impact to their bill</li> <li>The first notice must be sent within 14 days after the Order</li> </ul>
February 1, 2024	<ul> <li>Revised claims reimbursement timeline is implemented</li> <li>Providers will have <b>two months</b> from the snapshot to file claims instead of six</li> </ul>
February 7, 2024	<ul> <li>New consumers must apply and enroll with a service provider by <b>11:59 p.m</b>. ET, to receive the ACP benefit</li> <li>FCC and USAC will stop processing provider applications and new election notices by 6 p.m. ET</li> </ul>
February 8, 2024	<ul> <li>USAC implements enrollment freeze and stops accepting new consumer applications</li> <li>Service providers will not be able to enroll new consumers</li> <li>USAC will stop accepting new service providers into the ACP</li> <li>Providers who need to update their election notices can do so, but will not be able to add new jurisdictions</li> </ul>

#### ACP Wind-Down Important Dates (2/2)

Below are a list of key dates for the ACP enrollment freeze:

Date	Action
TBD	<ul> <li>The FCC gives its 60-day notice of the end of the last fully funded month of the ACP</li> <li>Should April 2024 be the last fully funded month, FCC anticipates that this notice will be released in late February</li> <li>Service providers begin consumer outreach informing consumers of the end of the program and how it will affect their monthly bill</li> </ul>
April 2024	Currently projected as the last fully funded month of the Affordable Connectivity Program

#### **ACP Systems Updates**

#### National Verifier (NV) and National Lifeline Accountability Database (NLAD)

Start ACP

#### **ACP System Updates** National Verifier

- On February 8, NV will be updated to reflect the application and enrollment freeze - the 'Start ACP Application' button will be disabled
- Users will still be able to check the status of applications as they normally would

**Note:** Applications with **Qualified** statuses must be enrolled by 11:59 p.m. ET on February 7, to receive the benefit

Welcome ETC Admin UAT

#### Start Lifeline Application Application\*

#### Pending Applications

Check Application Status							
Displaying 8 of 8 records		Search:	Q				
Subscriber Name	Application ID	Application Created	▲ Status	Failure Reason			
AL MAN	Q80977-23546	01/10/2024 13:31:00	Pending Review	Eligibility, tpivDeceased			
ALLIE KUNZ	Q80024-27905	01/08/2024 14:00:26	More Documentation Needed	tpivIdentity, Eligibility, InvalidAddress			
ALLIE MANLEY	Q85157-02258	01/08/2024 13:42:45	Pending Review	Eligibility, tpivDeceased			
NAT MANLEY	B26353-75495	12/29/2023 07:40:07	Expired	Eligibility, InvalidAddress,			

# **ACP System Updates**

#### National Lifeline Accountability Database

- On February 8, the 'Enroll ACP Subscriber' function on the 'ACP Subscriber Management' home page will be disabled
  - When selected, service providers will receive a **TRANSACTION\_NOT\_AVAILABLE** error message
- Service providers can still access NLAD through <u>One Portal</u> and will be able to perform all transaction types in NLAD **except 'Enroll'**

**Note:** If a consumer is de-enrolled after 11:59 p.m. ET on February 7, they cannot re-apply or be re-enrolled in the program

# **Questions?**

## **Consumer Support and Required Notices**

#### **Consumer Support and Required Notices** Provider Notices to ACP Subscribers (1/3)

- Providers must send subscribers **at least 3 notices** with information related to the end of the ACP. If feasible, Providers are encouraged to send additional notices.
  - The **first required notice** must be sent no later than 14 days after the release of the FCC Order (by January 25)
    - This first notice must generally advise ACP consumers about the possibility of program termination and the potential impact on their broadband service and bills
  - The **second required notice** must be sent after the FCC issues the 60-day notice, announcing the last fully funded month of the ACP
    - This notice must be sent no later than 15 days after the FCC releases the 60-day announcement and must provide the last month the benefit will be on the consumer's bill
  - The **third required notice** must coincide with the last bill or billing cycle in which the full ACP benefit is applied

#### **Consumer Support and Required Notices** Provider Notices to ACP Subscribers (2/3)

- The first notice must preview the possibility of the end of the ACP and potential impact to consumers' bills
- The second and third notices must inform consumers of the following:
  - That the ACP is ending
  - The impact on their bill
  - The date of their last bill that they will receive the ACP benefit on
  - That they may change their service or opt-out of continuing service after the end of the ACP

# **Consumer Support**

#### Provider Notices to ACP Subscribers (3/3)

- There is no prescribed format or specific wording for these consumer notices
- Providers must send notices to consumers in writing and are encouraged to do so in the manner consistent with consumer preferences for receiving information from their provider
  - Notices should be sent as **emails, text messages** or as **paper mail** to the email, phone number or mailing address the consumer receives monthly bills or communications
  - Notices must be accessible to consumers with disabilities
- Notices should be sent to consumers in their preferred language

#### **Consumer Support and Required Notices** Consumer Opt-in

To continue offering broadband service to ACP consumers after the end of the ACP, providers must determine if the consumer has established affirmative opt-in, i.e., opted in to continue to receive service should the ACP discount end.

- If consumers want to continue receiving service from their ACP provider AND one or more of the below applies to them, those consumers have established affirmative opt-in and the provider does not need to collect an additional opt-in from the consumer to continue to provide internet service:
  - They were paying their provider for internet at the time they enrolled in the ACP or the EBB Program
  - They agreed to their provider's general terms and conditions if they continued to receive service after the end of the program when they enrolled in the EBB Program or the ACP
  - They currently pay toward their ACP-supported service
- If none of the above applies, consumers have not established affirmative opt-in and providers must collect an opt-in from these consumers

## **Consumer Support and Required Notices** Alternative Low-Income Programs

- Service providers are encouraged to share information about alternative broadband service plans
  - Providers who already offer low-income internet programs are encouraged to help interested ACP consumers enroll in those programs
  - Providers that do not currently offer low-income internet programs are encouraged to develop such programs
- Subscribers who participate in the ACP should also be encouraged to see if the qualify for the <u>Lifeline Program</u>
  - Eligible consumers can get up to \$9.25 off the cost of phone, internet, or bundled services (up to \$34.25 if they live on qualifying Tribal lands)
  - Consumers can apply for the Lifeline program at <u>LifelineSupport.org</u>

# **Questions?**

#### **Revised Claims Process**

#### **Revised Claims Process** Expedited Timeline

- The submission timeline for claims has been revised to ensure an accurate forecast of remaining program funds
  - Starting February 1, 2024, providers will have a **two-month** window to submit original claims or upward revisions
    - Providers will have until the 1st of the second month after the snapshot date to submit claims
      - For example, for the January 2024 data month (February 1 snapshot), providers must certify their claims by April 1, 2024
    - There is no time restriction on downward revisions, but providers should make every effort to ensure that their reimbursement claims are complete and accurate, particularly as the ACP enters the wind-down phase
    - Providers are permitted to seek reimbursement for connected devices provided after February 8 if the consumer was enrolled prior to February 8 and had not previously received a device
  - Reimbursement claims submitted after the filing deadline will not be processed

#### **Revised Claims Process** Partial Reimbursement

- If reimbursement claims exceed the amount of remaining funds in the final month of the ACP, reimbursements will be paid out on a reduced or pro-rata basis
  - For example, if the remaining balance in the ACP is sufficient to pay only 80% of claims, then the fund will pay out 80% of each claim on a pro-rata basis
  - Similarly, if the Fund is only sufficient to pay 40% of each reimbursement claim in the final month, the Fund will pay out 40% of each claim on a pro-rata basis

## **Revised Claims Process** Declining Partial Reimbursement

- Providers can decide not to receive partial reimbursements to avoid the additional financial responsibility and to prevent giving consumers unexpected bills to cover the difference between the ACP discount the consumer was expecting and the partial benefit that was applied
- Should participating providers choose to forego receiving partial reimbursement for discounts:
  - They will not be required to pass through any benefits to ACP consumers after the last fully funded month is announced
  - They will not be expected to comply with the voluntary removal requirements of the Commission's rules
- The FCC's 60-day notice will include guidance to providers that wish to receive partial reimbursement for discounts on notifying USAC about their intention to participate

# **Questions?**

#### **What Happens Next for Service Providers**

## What Happens Next for Service Providers Election Notice Updates

- Starting February 8, new providers will not be accepted into the program and existing providers will not be able to add new jurisdictions
  - This also applies to non-ETC service providers
- Service providers will still be required to maintain up-to-date election notice information on file with USAC
  - Any change to the information provided on the election form must be updated within ten business days of the change in the information
  - All updated elections must be fully completed and include a valid electronic signature and date
  - To submit a change in election information, please submit an updated election form to <u>ACProgram@usac.org</u>

## What Happens Next for Service Providers Election Notice Updates

- Updates to existing elections for Service Providers participating in the program after February 8 may include:
  - Updating Marketing Information
  - Removing a jurisdiction(s) while maintaining participation in other established jurisdictions
  - Updating Officer Information
  - Updating Service Provider Operations (ex: device offerings)

# **Program Integrity**

## **Program Integrity** Maintaining Program Integrity

- All participating service providers in the Affordable Connectivity Program are required to adhere to program rules and guidelines, as outlined in ACP rules (<u>47 CFR § 54.1800 54.1814</u>)
- Service providers are required to apply the ACP benefit to a consumer's bill on or before the start of the consumer's next billing cycle
  - Consumers **do not** have to use their service for a month before having the benefit applied to their consumer bill
- Service providers should review their benefit application processes to ensure that they do not conflict with program rules
- The FCC remains committed to ensuring the program integrity of the ACP and will use its authority to address non-compliance though the wind-down phase

# **Questions?**

#### Resources

#### **Resources**

- Visit <u>USAC's website</u> and the <u>FCC's ACP page</u> to learn more about ACP wind-down
- <u>Sign up</u> for ACP email updates
- **Questions?** Email <u>ACProgram@usac.org</u>

## **Thank You!**

